COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF GREEN-TAYLOR WATER)
DISTRICT OF GREEN, TAYLOR AND METCALFE)
COUNTIES, KENTUCKY, FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY TO)
CONSTRUCT, FINANCE AND INCREASE RATES)
PURSUANT TO KRS 278.023

CASE NO. 95-501

ORDER

On November 10, 1995, Green-Taylor Water District ("Green-Taylor") filed an application for a Certificate of Public Convenience and Necessity to construct a \$1,292,000 waterworks improvement project, for approval of its plan of financing for this project, and for adjustments to its water service rates. This project will provide service to 223 additional customers. Project funding includes a \$675,000 bond issue to be purchased pursuant to an agreement with the U. S. Department of Agriculture's Rural Utilities Service ("RUS"), formerly known as the Rural Economic and Community Development Service, a \$539,200 grant from RUS, and \$77,800 from applicants for service in the proposed project area.

Green-Taylor's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water utilities and the U.S. Department of Agriculture or the U.S. Department of Housing and Urban Development and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum filing requirements were met in

this case on November 10, 1995, KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

- 1. Green-Taylor is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.
- 2. Green-Taylor's proposed plan of financing with RUS is accepted.
- 3. Green-Taylor is authorized to issue bonds not to exceed \$675,000 to be held or insured by RUS.
- 4. Green-Taylor shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.
- 5. The rates set out in Appendix A, which is attached hereto and incorporated herein, are the rates approved for service rendered on and after the date of this Order.
- 6. Green-Taylor shall submit its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.
- 7. Green-Taylor shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section 5(1), Green-Taylor shall take immediate action to bring the system into compliance with Commission regulations.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 8th day of December, 1995.

PUBLIC SERVICE COMMISSION

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Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 95-501 DATED DECEMBER 8, 1995.

The following rates and charges are prescribed for the customers in the area served by Green-Taylor Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Monthly Rates

First Next Next	2,000 gallons 3,000 gallons 5,000 gallons 10,000 gallons	\$ 15.80 6.20 4.75 2.90	Minimum Bill per 1,000 gallons per 1,000 gallons per 1,000 gallons
3/4-Inch Connections			
	3,000 gallons 2,000 gallons 5,000 gallons	\$ 22.00	Minimum Bill
Next	2,000 gallons	6.20	per 1,000 gallons
Next	5,000 gallons	4.75	per 1,000 gallons
Over	10,000 gallons	2.90	per 1,000 gallons
First	Connections 5,000 gallons 5,000 gallons 10,000 gallons	\$ 34.40 4.75	Minimum Bill per 1,000 gallons
	10,000 gallons	2.90	per 1,000 gallons
<u>1 1/2-Ir</u> First	nch Connections 10,000 gallons 10,000 gallons	\$ 58.15	Minimum Bill per 1,000 gallons
2-Inch Connections			
	20,000 gallons	\$ 87.15	Minimum Bill
	20,000 gallons	2.90	per 1,000 gallons